



## RECOGNIZE AND PROTECT AGAINST FRAUD

Imagine being approached on the street by a typical thug. The criminal forces you into a dark alleyway and demands your money, wallet, and car keys. What is your response when the thug leaves with your property? Without giving it second thought, any of us would dial 911 for immediate assistance.

But change those facts slightly. Instead of being on the street, you are sitting at a free lunch in a local hotel or standing on the front porch of your own home. Instead of a thug, you are speaking to a well-dressed, articulate young person. And instead of your wallet and keys, you are asked to hand over a check or cash in return for services offered. When the deal falls through and your money is gone with nothing to show in return, what do you do? Most of us would not call the police, but would chalk up the loss to experience or consider it to be a bad business deal.

Many times we are taken advantage of by persons who do not appear to be criminals under circumstances that lead us to believe that we are perfectly secure. It's all a matter of perception. The key to protecting ourselves against fraud and swindles is to learn the indicators of those crimes and to put a stop to our victimization early in the process.

Fraud artists typically take advantage of **5** basic human characteristics. **GREED** – Most of us would jump at a chance to double or triple a short-term investment, earn hundreds of thousands of dollars per year by working at home only a few hours per week, or to get something for nothing. **GULLIBILITY** – Fraud artists have an uncanny ability to make their victims believe the unbelievable or to give them personal identifying information by fooling them into thinking that they are someone trustworthy. **KINDNESS** – Of course we want to make a contribution to help underprivileged children, homeless animals, or the families of soldiers killed in battle. **HOPE** – Like kindness, we want to do what we can to help give hope to those who find themselves in hopeless situations, and sometimes a cash donation provides that opportunity. **FEAR** – This is the last resort for the professional fraud artist; fraud is much more effective and profitable if we give voluntarily rather than under threat or coercion. Why would we call the police to tell them that we voluntarily gave away thousands of dollars to help what we think is a legitimate charity?

An effective scam also contains some element of truth, because if we can confirm that something the solicitor tells us is true, we are likely to believe the whole story. The business or charity name may sound familiar to us, the person standing at the door claiming to be from the utility company may be dressed in an official looking uniform, or the business card we are handed may say "licensed, bonded, and insured." It's a good practice to verify information for ourselves before we act on it.

Scams work because fraud artists take advantage of one or more of those basic human characteristics and present a truthful sounding story. If we know what to look for to recognize a scam, we can protect ourselves from becoming a victim because we can put a stop to the scam before we give away any money.



## **TIPS FOR PROTECTING YOURSELF FROM FRAUD:**

- **Slow down!** *Delay is often the criminal's worst enemy.* Ask for time to think about what you are being asked to give. Talk to friends and family about investment opportunities or work to be done around your home. **If you are being told that you have to act before you hang up the phone or close the door, that is a red flag that someone is trying to scam you!**
- **Does it make sense?** If an offer sounds too good to be true, tell a friend about it. What is the reaction? Sometimes a convincing sales pitch sounds absolutely unbelievable when we repeat it to another person.
- **Develop a giving plan.** Decide at the beginning of each year which causes you want to support and in what amounts. If you receive a solicitation from another charity during the year, explain that you already have a giving plan for this year, but if the solicitor will send you information in the mail, you will consider making a gift next year. Legitimate charitable organizations encourage planned giving and will not be offended by your request; they will still be around next year and will still need financial support.
- **Is the solicitor following applicable law?** If a door-to-door solicitor cannot produce a business license, stop the conversation and close the door. If you are on the state or federal "Do Not Call" list, tell the telemarketer and hang up the phone. Report suspicious mail solicitations to the Postal Inspection Service.

## **INDICATORS OF FRAUD:**

- Mail that includes an enclosed check that you are instructed to deposit in your bank account and then transfer a portion of the funds back to the sender.
- E-mails that include embedded hyperlinks to fraudulent clone websites – designed to look like a legitimate site for a bank or credit card company.
- **Any** request for personal identifying information from **any** person who has contacted you – **IF YOU DID NOT INITIATE THE CONTACT, DO NOT GIVE ANY PERSONAL INFORMATION!**
- "Now or never" offers are almost always bogus. A solicitor may not be trying to steal from you, but in all likelihood the quality of the product you receive in return will be far less than what you expected.
- Mail that looks like "official" correspondence from a government agency, but is actually a solicitation – shred it or send it to the Postal Inspector.

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**IF YOU THINK YOU ARE BEING SCAMMED, CALL SOMEONE TO REPORT IT – LOCAL LAW ENFORCEMENT, DISTRICT ATTORNEY, LEGAL AID, AREA AGENCY ON AGING AND DISABILITY, ADULT PROTECTIVE SERVICES. ALL THESE AGENCIES EXIST TO HELP AND WILL RESPOND TO YOUR CALL!**

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